



February 25, 1999

## HOUSE BILL No. 1581

DIGEST OF HB 581 (Updated February 24, 1999 12:57 pm - DI 96)

**Citations Affected:** IC 4-15.

**Synopsis:** State merit employment. Provides that the state may not lay off an employee in the classified service in order to provide an employment position for a welfare to work participant. Provides that the state may not terminate a regular employee to create and fill the resulting vacancy with a welfare to work participant. Provides that the state may not create or fill an established employment position with a welfare to work participant resulting in displacement of any type of a current employee or position, interference with the return to work by an employee from any type of leave, replacement of an employee on layoff, impairment of an existing contract for services, or the filling of an established position in a manner other than already provided by law.

**Effective:** July 1, 1999.

**Porter**

January 21, 1999, read first time and referred to Committee on Labor and Employment.  
February 24, 1999, amended, reported — Do Pass.

HB 1581—LS 6891/DI 96+



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February 25, 1999

First Regular Session 111th General Assembly (1999)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1998 General Assembly.

## HOUSE BILL No. 1581

A BILL FOR AN ACT to amend the Indiana Code concerning state offices and administration.

*Be it enacted by the General Assembly of the State of Indiana:*

1       SECTION 1. IC 4-15-2-32 IS AMENDED TO READ AS  
2       FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 32. (a) An appointing  
3       authority may lay off employees in the classified service whenever it  
4       is deemed necessary, due to shortage of work or funds, or the  
5       abolishment of a position, or other material change in duties or  
6       organization. For purposes of this section, offices and positions of  
7       employment in each county where the division of service operates is  
8       considered one autonomous unit and layoff procedures will apply  
9       within the county affected by the layoff. When a layoff is necessary, the  
10      appointing authority will determine in which class or classes the layoff  
11      or layoffs will occur, the number of employees to be laid off within  
12      each affected class, the county or counties where layoffs are to occur,  
13      and give written notice to the director a reasonable time before the  
14      effective date of the layoff. The director, in accordance with the rules,  
15      shall compute retention points to determine the order of layoff within

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1 each county. The retention points will be computed as of the effective  
2 date of the layoff and will reflect systematic consideration of seniority,  
3 service ratings, veterans' preference status, and employment status. The  
4 director shall provide the appointing authority with a written notice  
5 containing the names and retention points of employees to be laid off  
6 in each county, and such orders relating to the layoff as deemed  
7 necessary to secure compliance with this section.

8 (b) Any employee in the classified service who has been notified of  
9 pending layoff and who has permanent status in a lower class has the  
10 right, provided they have more retention points, to displace within the  
11 same affected county the employee with the least retention points in  
12 that lower class. Any employee in the classified service who has  
13 permanent status in a lower class and is displaced by another employee  
14 has the right, provided they have more retention points, to displace  
15 within the same affected county the employee with the least retention  
16 points in that lower class. This procedure shall continue until the  
17 employee with the least retention points in the lowest class, in the same  
18 affected county, of the same appointing authority has been reached and,  
19 if necessary, laid off. Should a layoff result in the closing of all offices  
20 in a county, any employee in the classified service who has been  
21 notified of pending layoff and who has permanent status in the class  
22 from which they are laid off may, provided they have more retention  
23 points, displace within the division of service in any contiguous county  
24 the employee with the least retention points in that class.

25 (c) Employees who have been reduced or laid off will be placed on  
26 appropriate reemployment lists in accordance with rules established by  
27 the director. Those employees with the highest retention points in each  
28 affected class will be placed at the top of the list followed by  
29 employees ranked in descending order. An employee who is laid off  
30 will retain reemployment rights for a period of one (1) year from the  
31 layoff date. During this one (1) year period, the appointing authority,  
32 for the division of service affected, shall not hire nor promote anyone  
33 into a class affected by the layoff until all laid off employees on the  
34 reemployment list for that class have been reinstated or decline the  
35 position when it is offered. Employees who fail to respond within five  
36 (5) days to a written offer sent to their last known address will be  
37 deemed to have declined. Even though a layoff applies only to affected  
38 counties, reemployment rights extend to all counties, and, at the request  
39 of the laid off or reduced employee, their name will be placed on the  
40 appropriate reemployment list for any or all counties.

41 (d) **An employee in the classified service may not be laid off in**  
42 **order to provide an employment position for a welfare to work**



participant, as provided by section 47 of this chapter.

SECTION 2. IC 4-15-2-47 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 47. (a) An appointing authority shall not create a new classified service position for or fill an existing classified service position with a welfare to work participant (as defined in 42 U.S.C. 603 (a)) if to do so would result in any of the following:

(1) Displacement, including partial displacement, of a current employee or position resulting from the reduction of:

- (A) hours of work;
- (B) nonovertime work;
- (C) wages; or
- (D) benefits of employment.

(2) Infringement of the promotional opportunities of a current employee.

(3) Interference with the return to work of a regular employee who is on:

- (A) temporary leave of absence;
- (B) sick leave;
- (C) vacation leave;
- (D) personal leave;
- (E) family and medical leave;
- (F) military leave;
- (G) emergency conditional leave;
- (H) parental absence leave;
- (I) court leave; or
- (J) funeral leave.

(4) The impairment of existing contracts for service.

(b) An appointing authority shall not do the following:

(1) Fill a classified service position with a welfare to work participant if the effect of filling the position is to fill a vacancy caused by the layoff of a regular employee from the same or substantially equivalent position.

(2) Terminate a regular employee to create and fill the resulting vacancy in a classified service position with a welfare to work participant.

(3) Fill the vacancy of an established unfilled classified service position by a participant in the welfare to work program in a manner other than as provided by section 12 of this chapter.



## COMMITTEE REPORT

Mr. Speaker: Your Committee on Labor and Employment, to which was referred House Bill 1581, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 3, delete lines 29 and 30.

Page 3, delete line 42.

Delete page 4.

and when so amended that said bill do pass.

(Reference is to HB 1581 as introduced.)

LIGGETT, Chair

Committee Vote: yeas 12, nays 0.

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